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IHSA-82-021

7 June 1982

## MEMORANDUM FOR:

[redacted]  
Chief, Regulations Control Division, OIS

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## FROM:

[redacted]  
Information Handling Systems Architect

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## SUBJECT:

Proposed [redacted] and Follow-on  
[redacted] Re: Acquisition of Foreign Automatic  
Data Processing ResourcesSTAT  
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## REFERENCES:

- A. Memorandum for DCI from DDA,  
Subject: Policy on Data Processing  
Resources, dated 17 February 1982,  
with attached draft [redacted]
- B. Memorandum for ExDir, DDI, DDO, DDS&T,  
GC, IGC, Subject: Proposed [redacted]  
and [redacted] Acquisition of Foreign  
Automatic Data Processing Resources,  
dated 28 May 1982

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1. It is acknowledged that the intelligence "threats" identified in References A and B are indeed serious and require attention. The opportunities for including adulterated components in Agency information handling equipments are almost limitless. This threat of hostile component adulteration has been a concern of the defense community for some time. The problem is to identify a security program which reduces the threat while maintaining a broad, competent supplier base and acceptable component costs. Because of the complexity of this problem, no other government component has taken the type of action recommended in the draft [redacted] (References A and B.)

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2. It is not clear how simple exclusionary criteria will have any noticeable impact on the threat, but it will certainly reduce our access to component sources and our ability to maintain a competitive acquisition environment. The five percent [redacted]  
[redacted] suggested in the draft [redacted] is in fact, much more

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